

## Council Meeting Staff Report

November 14, 2017

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<b>Agenda No.:</b>	A.
<b>Indexes (Council Goals):</b>	2018 Council Goal – Quality Governance - Operational Excellence and Communication – Establish and implement a mechanism for effective Utility policy setting and review.
<b>Presenters:</b>	Tim Glasco
<b>Legislative File:</b>	CO0510-17b

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### Title

Incorporated County of Los Alamos Code Ordinance No. 02-280; An Ordinance to Amend Section 40-64 of the Los Alamos County Code of Ordinances to Provide Authority to Council and Board of Public Utilities to Transfer Revenues or Funds of a System to Another System.

### Recommended Action

**I move that Council adopt Incorporated County of Los Alamos Code Ordinance No. 02-280; An Ordinance to Amend Section 40-64 of the Los Alamos County Code of Ordinances to Provide Authority to Council and Board of Public Utilities to Transfer Revenues or Funds of a System to Another System; and ask staff to assure that it is published in summary form.**

### Utilities Manager Recommendation

The Utilities Manager recommends that Council adopt the code ordinance as presented.

### Board, Commission or Committee Recommendation

The Board of Public Utilities recommends that Council adopt the code ordinance as presented. (See attached endorsement letter.)

### Body

County ordinance currently does not allow for one utility sub-fund to subsidize another. While loans between utilities are allowed so long as market rate interest is applied, outright transfers from one sub-fund to another is prohibited. The proposed ordinance 02-280 would add language permitting transfers between utilities systems with concurrence of both the Board of Public Utilities and the County Council. This necessity of both entities agreeing to the transfer would allow for flexibility when there are unusual circumstances. Should Council adopt the ordinance, it would be with the understanding that such fund transfers in the future would be done rarely and only with a very compelling reason.

Adoption of this ordinance does not necessarily indicate Council endorsement of any particular transfer at this time. It simply allows the Board and Council to consider intra-utility fund transfers in the future.

### Alternatives

Council could decide not to adopt the proposed ordinance. The proposed ordinance would only allow transfers between utilities systems with the concurrence of both Board and Council, so either body could still prevent any specific transfer from happening.

### Fiscal and Staff Impact/Planned Item

No staff impact or immediate fiscal impact. If the ordinance is adopted by Council, and the Board and Council subsequently do decide to make a transfer, then there would be some as yet undetermined fiscal impact.

### Attachments

A - Incorporated County of Los Alamos Code Ordinance No. 02-280

B - BPU Endorsement of Code Ordinance 02-280

C - Notice of Publication